

SENATE BILL REPORT

HB 2489

As Reported By Senate Committee On:
Labor, Commerce, Research & Development, February 21, 2008

Title: An act relating to raffle ticket prices.

Brief Description: Increasing raffle ticket prices.

Sponsors: Representatives Moeller and Chase.

Brief History: Passed House: 2/07/08, 95-0.

Committee Activity: Labor, Commerce, Research & Development: 2/21/08 [DP].

SENATE COMMITTEE ON LABOR, COMMERCE, RESEARCH & DEVELOPMENT

Majority Report: Do pass.

Signed by Senators Kohl-Welles, Chair; Keiser, Vice Chair; Holmquist, Ranking Minority Member; Hewitt, King and Murray.

Staff: Ingrid Mungia (786-7423)

Background: Washington's Gambling Act authorizes charitable and nonprofit organizations to conduct raffles to raise funds for the organizations' stated purposes. The organization must be organized for one of the purposes specified in statute, which include agricultural, charitable, educational, political, fraternal, or athletic purposes, and meet other requirements.

A raffle may be conducted as a licensed or unlicensed raffle. A license is required if: (1) the gross revenue from all gambling fundraising conducted by the organization is more than \$5,000 per year; (2) tickets are sold by someone other than a member of the organization; (3) tickets are sold at a discount; (4) firearms are awarded as prizes; and (5) in certain other cases. By rule, if the total value of raffle prizes offered in a year exceeds \$80,000 or the retail value of a prize is \$40,000 or more, Gambling Commission approval is required in addition to a license.

The maximum price of a raffle ticket is \$25.

Summary of Bill: The maximum price of a raffle ticket is raised from \$25 to \$100. The Gambling Commission may raise the maximum amount above \$100 by rule.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: Setting the price for raffle tickets in statute is a little archaic. Moving the decision making authority for ticket prices to the Gambling Commission is more appropriate. This bill will make it easier for charitable organizations to raise money. New Mexico and Idaho have a \$100 raffle price limit. Alaska has no limit on the price of raffle tickets. This bill will enable small charitable organizations to raise more money effectively. Having a raffle allows charitable organizations to reach their fundraising goals.

OTHER: The Gambling Commission Commissioners voted to be neutral on this bill. The Commission does receive numerous inquiries about raising the price of raffle tickets. Most inquiries to the Commission believe it is too low. This bill may increase the receipts for an organization trying to sell raffles. However, it might also cause an organization not to sell as many tickets and not meet their goal.

Persons Testifying: PRO: Representative Moeller, prime sponsor; Leslie Burger, Madigan Foundation; Ann Bardacke, Congregation Kol Ami; Pam Brokaw, Affordable Community Environment.

OTHER: Amy Hunter, Washington State Gambling Commission.